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VII. Department of Industry, Labor and Human Relations -- Jean Rogers, Division Administrator, Division of Economic Support

The department requests the transfer of \$5,470,200 GPR in 1996-97 from the Committee's appropriation under s. 20.865(4)(a) to the appropriation under s. 20.445(3)(a) in the Department of Industry Labor and Human Relations for the operation of the Kids Information Data System (KIDS).

Governor's Recommendation

Modify the request to maintain the change order budget at \$1 million AF and approve \$1,899,900 AF instead of \$2,849,900 for additional on-site support. This would provide DILHR with \$4,467,200 GPR instead of the \$5,470,200 requested.



## **Legislative Fiscal Bureau**

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

June 27, 1996

**TO:** Members  
Joint Committee on Finance

**FROM:** Bob Lang, Director

**SUBJECT:** Industry, Labor and Human Relations--Section 13.10 Request Relating to JOBS Program--Agenda Item VIII

### **BACKGROUND**

Under 1995 Wisconsin Act 289 (the Wisconsin Works legislation), the GPR appropriation for benefits under the aid to families with dependent children (AFDC) program was converted from a sum sufficient to a sum certain, biennial appropriation, effective May 10, 1996. This modification allows the Committee to transfer excess funds from this appropriation to other appropriations.

The AFDC program is currently administered at the state level by the Department of Health and Social Services (H&SS). On July 1, 1996, responsibility for AFDC and other public assistance programs will be transferred to the Department of Industry, Labor and Human Relations (DILHR), which will be renamed as the Department of Workforce Development.

DILHR has requested the transfer of \$1,126,500 GPR in 1996-97 from the AFDC benefits appropriation to the Department's appropriation for employment and training programs. The transferred funds, along with \$1,638,900 of federal matching revenues, would be used for child care for participants in the job opportunities and basic skills (JOBS) program, which is the state's employment and training program for AFDC recipients.

Under Act 289, the current AFDC and JOBS programs will be repealed six months after the statewide starting date for the Wisconsin Works (W-2) program. The Department anticipates that W-2 will be implemented statewide in the fall of 1997, if the necessary federal law changes or waivers are obtained. With this starting date for W-2, the AFDC and JOBS programs would be eliminated in early 1998.

## **ANALYSIS**

### **AFDC Benefits**

**January Estimate.** In January, 1996, this office estimated that the state share of AFDC benefits would be \$124.3 million GPR in 1995-96. When this estimate was prepared, the average AFDC caseload from July through November, 1995, was 69,097. The January estimate was based on projected average caseload of 67,451 in 1995-96.

**Revised Estimate.** As of April, 1996, the monthly AFDC caseload had fallen to 59,963 and the year-to-date average caseload was 66,351. It is now estimated that the average caseload will be 65,735 in 1995-96, a reduction of 1,716 cases from the January estimate. With this caseload figure, it is estimated that state AFDC expenditures will be \$121.4 million GPR in 1995-96, which is \$2.9 million GPR lower than the funding amounts established in Act 289.

Based on this revised estimate, sufficient funding should be available to accomplish the transfer requested by DILHR. Any funds that are not expended from the AFDC appropriation or transferred to another appropriation will lapse to the general fund at the end of 1996-97.

### **JOBS Child Care**

As part of the transition from the current AFDC program to the W-2 program, which is anticipated to begin statewide in the fall of 1997, H&SS is requiring local JOBS agencies to place adult recipients in a simulated, full-time work week. This has increased the number of hours that recipients are required to participate in work activities and other JOBS components, which has resulted in greater demand for JOBS child care. Under federal law, mandatory or voluntary participants in the JOBS program must be provided with child care if it is necessary for participation in the program.

The Department's request is based on the cost of child care for JOBS participants in calendar year 1995. Using data from that experience, the Department's request of \$1,126,500 GPR, along with \$1,638,900 of matching federal funds, would provide total funding of \$2,765,400 to cover the projected additional child care costs from July through December, 1996. The funds would be allocated to county JOBS agencies which have fully committed their current CY 1996 funds and cannot serve additional recipients due to the lack of child care funds. This method is intended to ensure that the funds would only be provided to counties in which there is a documented need and to provide information to use in determining future child care allocations. The Department also indicates that, if the request is approved, an interim report would be provided on the ability of JOBS agencies to use the additional funds.

Under Act 27, funding appropriated to the Department for JOBS child care totals \$11,858,900 in 1995-96 (\$4,786,200 GPR and \$7,072,700 FED) and \$12,421,700 in 1996-97 (\$4,965,400 GPR and \$7,456,300 FED). If this request is approved, total funding for JOBS child care would increase to \$15,187,100 in 1996-97 (\$6,091,900 GPR and \$9,095,200 FED).

Act 27 placed \$1,007,600 GPR in 1995-96 and \$1,015,100 GPR in 1996-97 into the Committee's program supplements appropriation for all AFDC-related child care programs, including transitional child care for former AFDC recipients, Learnfare child care, child care assistance for working AFDC recipients and JOBS child care. To date, this funding remains in the Committee's appropriation. These monies could be used to fund the current request for JOBS child care, which would reduce the child care balance in the Committee's appropriation from \$2,022,700 GPR to \$896,200 GPR. However, if the excess funding in the AFDC appropriation were used to provide additional JOBS child care assistance, as requested by the Department, the funding in the Committee's appropriation would remain available for future child care needs or to supplement funding for other programs. In addition, the Department maintains that greater participation in the JOBS program has contributed to the recent AFDC caseload reductions. Therefore, it can be argued that it is appropriate to use savings in AFDC benefits for additional JOBS child care assistance.

Finally, the current budget includes \$12.4 million all funds for JOBS child care expenses in 1996-97. Based on the Department's estimates, this amount of funding should be adequate to cover the first eight or nine months of 1996-97. Therefore, the Committee could deny the request at this time with the understanding that the Department could request supplemental funding for JOBS child care at a subsequent meeting after additional experience has been gained with the transition to W-2. However, the Department indicates that approval of the transfer at this time would be more advantageous because it would assure local JOBS agencies that child care funding will be available through the end of the calendar year. The Department maintains that the JOBS agencies may be less inclined to aggressively place participants into JOBS work components without the assurance of adequate child care funds.

## ALTERNATIVES

1. Approve the Department's request to transfer \$1,126,500 GPR in 1996-97 from the AFDC benefits appropriation under 20.445(3)(d) to the JOBS appropriation under 20.445(3)(df) for additional child care expenses associated with the transition to W-2.
2. Modify the request to, instead, transfer \$1,126,500 GPR in 1996-97 from the Committee's program supplements appropriation under 20.865(4)(a) to the JOBS appropriation under 20.445(3)(df) for additional child care expenses associated with the transition to W-2.
3. Deny the request.

Prepared by: Rob Reinhardt

MO# Alt. 1

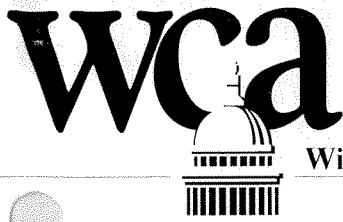
BURKE	(Y)	N	A
ANDREA	(Y)	N	A
GEORGE	Y	N	A
DECKER	Y	N	A
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
WEEDEN	(Y)	N	A
COWLES	(Y)	N	A

*July 10th*

*withdrawn*

2-BRANCEL	(Y)	N	A
FOTI	(Y)	N	A
SCHNEIDERS	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
PORTER	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

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Wisconsin Counties Association

## MEMORANDUM

TO: Co-Chairs of the Joint Committee on Finance

FROM: Mark D. O'Connell, Legislative Director

DATE: July 10, 1996

SUBJECT: Support for JOBS program Child Care

### Additional Child Care under the JOBS program

WCA supported the passage of W-2 and we are continuing our involvement as the state moves toward implementation. We recognize that many of our counties will qualify to serve as the W-2 provider within their region, and many counties are expressing their intent to do so. The state has developed a transition plan to begin the process of moving from dependency to self sufficiency prior to full W-2 implementation. This transition is being operated through the state JOBS program and counties.

The allocation of additional child care funds during this critical time, displays the state's commitment to adequately fund the necessary services under the JOBS program.

The availability of child care funds during this transition phase directly impacts upon successful participation in the JOBS program and the success of W-2 begins with a successful transition. Therefore we support the allocation of additional child care funds under the JOBS program. The timing of this request is important as counties will be signing contracts for child care prior to the next legislative session.

Thank you for considering our comments and for your support for the above referenced funding allocations.

MDO/dh

100 River Place, Suite 101 ♦ Monona, Wisconsin 53716-4016

608/224-5330 ♦ 800/922-1993 ♦ Fax: 608/224-5325

Mark M. Rogacki, Executive Director  
Darla M. Hium, Deputy Director

Mark D. O'Connell, Legislative Director  
Lynda L. Bradstreet, Administrative Director



Wisconsin Counties Association

## MEMORANDUM

TO: Honorable Members of the Joint Committee on Finance

FROM: Mark D. O'Connell, Legislative Director

DATE: June 26, 1996 *MD O'Connell*

SUBJECT: Support for DILHR Requests for Funds Transfer for KIDS Implementation and JOBS program Child Care

The Wisconsin Counties Association (WCA) would like to take this opportunity to express our support for the Department of Industry, Labor and Human Relations' requests for fund transfers for the following purposes: 1) continued implementation of the Kids Information Data System (KIDS); and 2) implementation of Operation Transition and the accompanying child care expenses associated with increased participation in the JOBS program.

### KIDS

WCA has been actively involved in the planning and implementation of the KIDS project. While there have been delays in the initial stages of implementation, the additional dollars requested by DILHR are necessary to insure adequate state "on-site" support for the counties currently in operation and for the 38 counties that are scheduled to come on-line by September, 1996.

We are supportive of the KIDS project and anticipate that upon full resolution of the existing delays, the system will responsibly serve the state, counties, custodial and non-custodial parents and, most importantly, Wisconsin's children.

### Additional Child Care under the JOBS program

WCA supported the passage of W-2 and we are continuing our involvement as the state moves toward implementation. We recognize that many of our counties will qualify to serve as the W-2 provider within their region, and many counties are expressing their intent to do so. The state has developed a transition plan to begin the process of moving from dependency to self sufficiency prior to full W-2 implementation. This transition is being operated through the state JOBS program and counties.

The allocation of additional child care funds during this critical time, displays the state's commitment to adequately fund the necessary services under the JOBS program.

The availability of child care funds during this transition phase directly impacts upon successful participation in the JOBS program and the success of W-2 begins with a successful transition. Therefore we support the allocation of additional child care funds under the JOBS program.

Thank you for considering our comments and for your support for the above referenced funding allocations.

100 River Place, Suite 101 ♦ Monona, Wisconsin 53716-4016

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Mark M. Rogacki, Executive Director  
Darla M. Hium, Deputy Director

Mark D. O'Connell, Legislative Director  
Lynda L. Bradstreet, Administrative Director

**CORRESPONDENCE\MEMORANDUM****STATE OF WISCONSIN  
Department of Administration****Date:** June 11, 1996**To:** Members, Joint Committee on Finance**From:** James R. Klauser, Secretary  
Department of Administration**Subject:** S. 13.10 Request from the Department of Industry, Labor and Human Relations for Transfer of AFDC Benefit Savings to Child Care**Request**

The department requests the transfer of \$1,126,500 GPR in 1996-97 from the Aid to Families with Dependent Children (AFDC) benefits appropriation under s.20.435(4)(d) in the Department of Health and Social Services to the appropriation under s. 20.445(3)(df) in the Department of Industry, Labor and Human Relations to provide additional child care funds for the Job Opportunities and Basic Skills (JOBS) program.

**Background**

Child care has historically been divided into three programs, each with its own funding and eligibility criteria; Consolidated Child Care, JOBS Child Care and Low Income Child Care. The funding needs of each of these programs have increased as the counties enact new welfare initiatives, such as Work First, Pay For Performance and Self Sufficiency First. Counties are also trying to meet the performance criteria developed by the Division of Economic Support that will allow them to become the W-2 agency without going through the competitive bid process. It is useful to view the department's request in terms of the larger child care funding picture.

Child care assistance is provided to AFDC recipients who obtain unsubsidized employment, who need it to attend school or who incur costs above the allowable child care disregard under the Consolidated Child Care program. As more AFDC recipients work full- or part-time while remaining on the caseload, the funding needs of this program have grown. The Joint Committee on Finance recently approved, under the March s.13.10 process, an increase of \$1,007,600 GPR in FY96 to supplement the program.

Child care assistance is also available to low income individuals who have never been or are no longer on AFDC. The Department of Health and Social Services, with the Department of Administration's approval, recently reallocated \$2.4 million low income day care carryover funds from prior years to supplement county low income child care allocations. Counties that were aggressively implementing Work First, especially the



two Work Not Welfare counties, had run short on low income child care for two reasons. First, there was an increase in the number of people diverted from coming onto AFDC in the first place. Second, former AFDC recipients were running out of their 12 months of transitional child care funding and, in some cases, were returning to AFDC because there were insufficient low income child care funds to provide them with uninterrupted assistance.

Finally, individuals who are receiving AFDC benefits and who are actively participating in the JOBS program are eligible to receive child care subsidies. A person cannot be required to participate in JOBS if child care assistance is not provided. In addition, a recent court ruling requires child care to be provided for any person who "self-initiates", i.e., volunteers to participate in the JOBS program before becoming a mandatory participant. In an attempt to meet the performance criteria for W-2 and as part of the transition to W-2, counties are being encouraged to place as many recipients in jobs in the private sector or in the JOBS program as possible. The department's s. 13.10 request focuses on the funding needs of this category of child care.

### Analysis

DILHR has committed itself to undertake an intensive effort called Operation Transition during the next 15 months. The primary goal of Operation Transition is to smooth the transition from AFDC to W-2 by engaging more AFDC recipients in the JOBS program in order to move as many families into self-sufficiency as possible before W-2 begins. As part of Operation Transition, the department is requiring JOBS agencies to place as many of the mandatory JOBS clients as possible in a simulated, full-time work week, thus increasing the number of participants and the number of hours that existing clients are required to participate. Reducing the caseload before W-2 begins is an important step in ensuring the successful implementation of W-2. The extent that counties are able to do this is directly related to the availability of JOBS child care funding.

Unlike some of the other child care programs, if a JOBS agency does not have sufficient child care funding, it can put a mandatory JOBS participant into hold status until such funding becomes available. Consequently, the department is not able to document an existing shortfall in the JOBS child care budget. It is clear, however, that if DILHR's goal is to fully engage all AFDC recipients between now and the start of W-2, additional resources will be needed. Furthermore, the department's methodology for projecting how much additional JOBS child care will be needed for the next 6 months appears reasonable.

The methodology calculates the cost per quarter of JOBS child care per active JOBS participant who requires child care. In CY1995, \$7.6 million was spent on JOBS child care expenditures. Only 14% of the 13,344 active JOBS participants per month needed child care. Therefore, \$1,002 per quarter was spent on each family who was actively

participating in JOBS and who needed day care services. DILHR next determined the number of people that would have to be engaged each quarter if all adult AFDC recipients were fully engaged in the JOBS program between now and September 1997, the start of W-2. It was determined that an additional 6,569 adults would have to be served under the JOBS program each quarter if this goal is to be met. That results in an increased funding need of \$921,800 All Funds (AF) per quarter or \$2,765,400 AF for the period July through December 1996.

The department's request would transfer savings in the AFDC appropriation to the JOBS appropriation. The funding is available under the AFDC appropriation due to the fact that caseloads have continued to decrease significantly since the Legislative Fiscal Bureau (LFB) last reestimated the appropriation in January of this year. LFB projected that the caseload for FY96 would average to 67,451 per month and that GPR expenditures would total \$124.3 mn. The department has completed another reestimate of the FY96 caseload based on data through March of 1996. The new projections assume that the average monthly caseload will drop to 65,734 and GPR expenditures will be \$5.5 million lower than previously estimated. This estimate is probably very conservative, given the fact that the April caseload data that was recently released showed that the caseload had decreased by over 4% or 2,925 cases from the previous month. However, because DILHR is only requesting to use a portion of the AFDC savings, an updated projection is not necessary at this time. The department is requesting that \$1,126,500 of the \$5.5 million GPR be reallocated for JOBS child care. When matched with federal funding, this will generate a total of \$2,765,400 AF for JOBS child care.

It is not clear whether or not full engagement of all adult AFDC recipients is an achievable target. It is likely that a certain percentage of those individuals will obtain unsubsidized employment without going through the JOBS program. In addition, a certain percentage of people currently in the JOBS program and even those coming on in the next two quarters will obtain employment and therefore will free up JOBS child care funding for others. Even given these considerations, however, it is clear that additional JOBS funding is needed to allow the department to implement Operation Transition, and thereby continue to decrease AFDC caseloads. DILHR has indicated that they will only distribute the funds on an as-needed basis. Each county will have to demonstrate that they have fully committed their CY96 funds and cannot serve any additional AFDC recipients due to lack of child care funding. DILHR has also offered to provide an interim report on the ability of the JOBS agencies to utilize these funds.

Increasing child care funding is also important because it gradually builds the capacity of the child care delivery system. Overall, child care expenditures under the W-2 program are projected to increase from approximately \$50 million AF currently to over \$150 million AF in FY98. It is important that the additional capacity be developed over the next 15 months.

Finally, DILHR's request would transfer funds out of the biennial AFDC appropriation under s. 20.435(4)(d) at DHSS and into the JOBS appropriation under s. 20.445(3)(df) at DILHR. The request needs a technical modification so that funds are transferred from and to DILHR appropriations after July 1, 1996, which is the effective date of the transfer of the Division of Economic Support from DHSS to DILHR. The department, when consulted on this matter, did not have any objections to this modification.

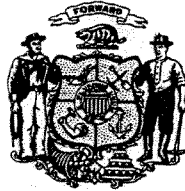
**Recommendation**

Modify the request to transfer the AFDC benefit savings from s. 20.445(3)(d) in DILHR to s. 20.445 (3)(df), effective July 1, 1996.

Prepared by: Jennifer A. Sajna (266-8219)

**Tommy Thompson**  
Governor

**Dick Wegner**  
Acting Secretary



**OFFICE OF THE SECRETARY**  
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**State of Wisconsin**  
**Department of Industry, Labor and Human Relations**

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May 23, 1996

The Honorable Tim Weeden  
Senate Chair, Joint Committee on Finance  
119 Martin Luther King Jr. Blvd., Suite LL1  
Madison, Wisconsin 53702

The Honorable Ben Brancel  
Assembly Chair, Joint Committee on Finance  
119 Martin Luther King Jr. Blvd., Suite LL2  
Madison, Wisconsin 53702

Dear Senator Weeden and Representative Brancel:

The Department of Industry, Labor and Human Relations requests approval of the Joint Committee on Finance under s. 13.10 to transfer \$1,126,500 GPR in 1996-97 from the AFDC benefits appropriation under s. 20.435(4)(d) to the Employment and Training appropriation under s. 20.445(3)(df) in the Department of Industry, Labor and Job Development to accelerate AFDC client participation in the JOBS program in preparation for the implementation of W-2.

The additional funding is needed to provide child care for JOBS program participants. During the next 15 months the Department will undertake an intensive effort called Operation Transition to engage additional AFDC recipients in the JOBS program. This effort is designed to smooth the transition to W-2 by engaging more AFDC recipients in work experiences, providing services to clients before the W-2 time limitations begin and lowering the caseloads by successfully moving AFDC families to self-sufficiency. The number of clients that can successfully move into employment depends in part on the availability of child care funds.

The department recommends that the needs for additional child care and JOBS participation be funded from savings resulting from decreased AFDC caseloads.

AFDC caseloads have continued to decline dramatically since the Legislative Fiscal Bureau reestimated the AFDC benefits appropriation in January 1996. In this estimate, the JFC predicted that the average monthly AFDC caseload in 1995-96 would be 67,451 and GPR expenditures for 1995-96 would be \$124,300,000. The Department now estimates that average monthly caseload in 1995-96 will be 65,734, with GPR expenditures of \$118,808,000, resulting in additional GPR savings above the January LFB reestimate of \$5,492,000 GPR. The Department requests that a portion of these GPR savings from 1995-96 be reinvested in the JOBS program in the first six months of 1996-97 to provide child care to additional participants in the JOBS program. Providing \$1,126,500 GPR will generate additional federal matching funds, for a total increase of \$2,765,400 in JOBS child care funding.

The Honorable Tim Weeden, Co-Chair  
The Honorable Ben Brancel, Co-Chair  
May 23, 1996  
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The Pay for Performance and Self-Sufficiency First waivers are increasing the demand for JOBS child care. The additional child care funding will facilitate efforts to meet these expanded JOBS participation requirements.

As part of Operation Transition, the Department is requiring JOBS agencies to place individuals in a simulated, full-time work week, thus increasing the number of hours JOBS participants are required to participate in work and/or JOBS activities. In order to effectively transition the existing caseload from minimal participation to a simulated work week under W-2, JOBS agencies will not only have to serve more individuals, but also increase the activities of existing JOBS participants. This participation increase creates increased demands for JOBS child care funding, since federal law requires that persons participating in JOBS must be provided child care. Counties and other JOBS agencies, however, will not commit JOBS and associated day care funds beyond those already allocated because of the potential for running out of funds prior to the end of the fiscal year.

Without the ability to fund child care while families are still on welfare but moving to work, counties will not be able to assist families who need to work. Addressing this financial need is essential if welfare caseloads are to continue to decrease.

There is no foolproof methodology for projecting how fast or how much Operation Transition will increase JOBS related day care needs. However, one method is to begin with CY 1995 JOBS participant child care expenditures which totaled \$7,619,500. The average number of active JOBS recipients in CY 1995 was 13,344 per month, and an estimated 14% or 1,900 of them required day care services. This yields an average of \$4,010 annually or \$1,002 per quarter on JOBS child care costs per active JOBS participant requiring day care services.

There were 48,863 adult AFDC recipients in February 1996, excluding NLRR and SSI cases. Of these recipients, 11 percent are working in unsubsidized employment for more than 35 hours per week, 7 percent are engaged at least 35 hours, and 15 percent are engaged at least 20 hours, for a total of 33 percent working at least 20 hours per week. Thirty-three percent of the total adult recipient count results in 16,019 engaged either part- or full-time in February 1996, with 32,844 not engaged. If it is assumed that the increased engagement will occur in a linear manner to 100% over the next five quarters, an additional 6,569 adults will be engaged each quarter. Assuming a quarterly cost of \$1,002 for 14% of these 6,569 adults results in an increased need of \$921,800 per quarter.

Projected additional need:

July through September 30, 1996	\$ 921,800
October through December 31, 1996	1,843,600
January through March 31, 1997	2,765,400
April through June 30, 1997	3,687,200
July through September 30, 1997	4,609,000
TOTAL	<u>\$13,827,000</u>

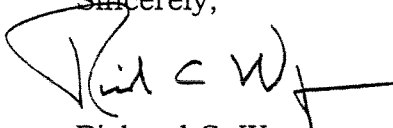
The Honorable Tim Weeden, Co-Chair  
The Honorable Ben Brancel, Co-Chair  
May 23, 1996  
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In order to effectively provide agencies with the funding flexibility to engage adult AFDC recipients, we are requesting the funding estimated to be needed from July 1, 1996 through December 31, 1996, a total of \$2,765,400 (\$1,126,500 GPR, \$1,638,900 FED).

If approved, we will provide an interim report on the ability of JOBS agencies to utilize these funds as meaningful data becomes available. The Department intends to allocate the funding to counties on an as needed basis. The funding will go to JOBS agencies requiring additional funding because the agencies have fully committed their CY 1996 funds and cannot serve additional AFDC recipients in JOBS due to the lack of adequate child care funds. By using the funds in this manner, the Department hopes to gain additional information that will be useful in determining the allocation of the child care funds in the second half of SFY 97 and under W-2.

Ms. Jean Rogers, Administrator for the Division of Economic Support, will represent the Department at the s. 13.10 meeting.

Sincerely,



Richard C. Wegner  
Acting Secretary

VIII. Department of Industry, Labor and Human Relations -- Jean Rogers, Division Administrator, Division of Economic Support

The department requests the transfer of \$1,126,500 GPR in 1996-97 from the Aid to Families with Dependent Children (AFDC) benefits appropriation under s. 20.435(4)(d) in the Department of Health and Social Services to the appropriation under s. 20.445(3)(df) in the Department of Industry, Labor and Human Relations to provide additional child care funds for the Job Opportunities and Basic Skills (JOBS) program.

Governor's Recommendation

Modify the request to transfer the AFDC benefit savings from s. 20.445(3)(d) in DILHR to s. 20.445 (3)(df), effective July 1, 1996.



## **Legislative Fiscal Bureau**

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

June 27, 1996

**TO:** Members  
Joint Committee on Finance

**FROM:** Bob Lang, Director

**SUBJECT:** Health and Social Services--Release of Funds for Termination of Parental Rights Cases in Milwaukee County--Agenda Item IX

### **BACKGROUND**

Provisions of 1995 Act 27 required the Department of Health and Social Services (H&SS) to submit to the Governor and the Legislature, by April 1, 1996, a proposal to transfer the authority and duty to provide child welfare services in Milwaukee County from that county to H&SS (renamed the Department of Health and Family Services (DHFS) as of July 1, 1996), beginning January 1, 1998. In response to this directive, H&SS drafted a proposal that was introduced as Senate Bill 615 and enacted as 1995 Wisconsin Act 303.

Act 303 provides the initial funding, position authority and statutory language to begin implementing this transfer of responsibility from the county to DHFS. The act:

- Directs DHFS to submit to the Department of Administration by September 15, 1996, proposed legislation to implement the transfer;
- Creates a nineteen-member Milwaukee Child Welfare Partnership Council to formulate suggested policies, plans and recommendations for the improvement of the child welfare system in Milwaukee County, to address issues relating to funding and evaluations and to provide technical assistance to DHFS relating to a neighborhood-based system for the delivery of child welfare services in Milwaukee County;
- Directs DHFS to establish community advisory committees for each of five neighborhood-based child welfare service delivery sites planned for Milwaukee County;



- Establishes a medical assistance benefit for care coordination for certain pregnant women and children under the age of seven in Milwaukee County;

- Provides for system planning and development and contracting for the provision of services; and

- Authorizes 28.0 GPR and 12.0 FED positions, beginning on July 1, 1996, for DHFS to plan and develop a system for providing these services and to request proposals or bids and enter into contracts for the purpose of assuming these responsibilities. Of these positions, 28.0 GPR positions were provided to monitor and review current foster care placements, cases of child abuse and neglect, and cases where a permanency plan for adoption has been developed but parental rights have not yet been terminated.

The act also directs DHFS to develop a plan for the use of \$566,400 GPR that Act 303 placed in the Committee's 1996-97 supplemental appropriation for DHFS to contract for legal and support staff to identify and prosecute cases in Milwaukee County in which termination of parental rights (TPR) over a child would be appropriate. The Department was directed to submit a plan for the use of these funds to the Committee for its approval, upon which these funds would be released in accordance with the plan.

The provision to place funding in the Committee's supplemental appropriation and to direct H&SS to develop a plan to process TPR cases was added as an amendment by the Committee to the original bill. At the time the Committee considered the legislation, it was uncertain: (a) how many cases would need to be processed, based on a review of the current foster care cases; and (b) which agencies would process these cases.

On May 23, 1996, H&SS submitted the plan required by Act 303. This memorandum provides a summary and analysis of DHFS' plan for the use of these funds. The Department requests that the Committee approve this plan, and that the funds placed in the Committee's appropriation be transferred to the DHFS appropriation created in Act 303 to support activities relating to the termination of parental rights.

## **SUMMARY AND ANALYSIS OF PLAN**

### **Plan Summary**

The Department would contract with the state District Attorney's Office and the Milwaukee County Human Services Department for TPR-related services, as described below.

**District Attorney's Office.** The Department would provide \$311,300 (\$216,300 GPR and \$95,000 FED) in 1996-97 to support 2.0 additional attorney positions in the DA's Office and to enable the DA to subcontract with Milwaukee County to support 1.0 paralegal and 1.0 clerical position to support the work of the DA's office. This staffing level is expected to double the

number of TPR petitions submitted by the DA's office, based on current staffing for these activities in that office.

**Milwaukee County Human Services Department.** A total of \$401,300 (\$278,900 GPR and \$122,400 FED) in 1996-97 would be provided to support 7.0 caseworkers and 1.0 clerical position, beginning July 1, 1996, in the Milwaukee County Human Services Department. These positions would be used to prepare documentation for the DA's Office to petition the court for TPR, based on new cases and existing cases identified by the state and county monitoring staff.

**Guardian Ad Litem Services.** The Department would contract to provide guardian ad litem services for children for whom parental rights are proposed to be terminated. A total of \$50,900 (\$35,400 GPR and \$15,500 FED) in 1996-97 would be provided to enable H&SS to contract for 2.0 attorney positions (1.0 attorney position beginning October 1, 1996 and 1.0 attorney position beginning January 1, 1998).

### **Analysis**

**Workload.** Act 303 provides DHFS with staff and funding resources to begin to address some of the issues raised in the legal action brought by the American Civil Liberties Union against Milwaukee County and the state. The act provides DHFS 28.0 GPR positions, beginning in 1996-97, to review the current care plans for all children who are in out-of-home care and to provide ongoing review of these cases until the child returns home or the plan of care is changed. It is estimated that, during the eighteen-month transition period between July 1, 1996 and January 1, 1998, these staff will review approximately 14,200 cases.

Through this review of current and new cases, DHFS will be able to identify cases for which TPR petitions should be considered. However, based on information contained in H&SS' Milwaukee County Child Welfare Needs Assessment: Final Report (March 1, 1996) and supported by the documents filed as part of the ACLU lawsuit, the Department's review of current out-of-home cases will result in significantly more TPR cases than the Department will be able to investigate, even with the additional the resources requested by the Department.

For example, there are approximately 3,500 children in Milwaukee County that are in court-ordered, out-of-home placements (including foster families, relatives, child caring institutions, treatment foster home and group homes). Based on a random sampling of out-of-home placement cases that were analyzed as part of the Department's needs assessment, it is estimated that:

- 70% of the children included in the sample had been out of the home for 18 months or more; and
- 40% of the children included in the sample had been out of the home for more than 36 months.

Further, the average length of stay for children in out-of-home placements in Milwaukee County is 27 months, compared to nine months for children in out-of-home placements in the other counties of the state.

Another indication that there is considerable opportunity to initiate TPR petitions in Milwaukee County is based on the difference between the current permanency status of children in out-of-home placements and the judgement of individuals who reviewed a sampling of these cases as part of the H&SS needs assessment. Specifically, the reviewers determined that 45% of the cases should have permanency goals of adoption, although only 24% of the cases actually had this as the permanency goal. Based on the current number of children in Milwaukee County in out-of-home placements (3,500) and the need for changes in the current permanency goals for a portion of these children, as indicated in the needs assessment, it appears that there may be approximately 700 current cases where changes in the permanency goals may be made. These cases will be identified by the 28.0 monitoring staff positions provided in Act 303, which will result in a significant increase in TPR petitions.

The Department's request includes funds for two program revenue assistant district attorney positions in Milwaukee County, with annual funding of \$198,000 (\$137,600 GPR and \$60,400 FED). This level of funding reflects an annual salary of approximately \$72,400 per attorney plus fringe benefits. The State Prosecutors Office indicates that experienced assistant DAs in Milwaukee County would be transferred from GPR positions to the new PR positions to prosecute the additional TPR cases; the PR funding level reflects the actual cost of these positions. The vacated GPR positions would then be rehired at the cost of an entry-level position (\$48,800 annually per position, including fringe benefits). The transfer of the two positions from GPR to PR funding and the rehiring of the GPR positions as entry-level positions would result in a GPR savings in the District Attorneys GPR appropriation for salaries and fringe benefits of about \$100,400 annually. Since part of the program revenue (about 69.5%) provided to the Milwaukee DA would derive from GPR funding under DHFS, the actual GPR cost of the two assistant DAs would be \$37,200 (\$137,600 minus \$100,400).

Weighted caseload data for 1994, provided by the State Prosecutor's Office, indicates that Milwaukee County ranks 34th in the state and its average weighted caseload per prosecutor is equal to the statewide average of 123 weighted cases. (The current weighted caseload formula, which considers all felonies as equal in weight, may underestimate, to some extent, the relative caseload of Milwaukee County prosecutors due to the higher incidence of homicides and other serious felonies in the City of Milwaukee.) In 1993, Milwaukee County was ranked 42nd with an average weighted caseload of 115 cases per prosecutor (5% below the statewide average of 122 cases per prosecutor). This data would support the Milwaukee County DA's contention that caseload pressures in Milwaukee County are increasing. Further, it should be noted that TPR petitions are not currently considered in the DA workload formula.

While the State Prosecutors Office has not yet advanced a s. 16.505(2) request to authorize the new PR positions for the Milwaukee District Attorney, the Committee could authorize these positions as part of its deliberations concerning the present H&SS request. This would expedite

the implementation of the expanded TPR efforts. Further, acting under s. 13.101 would allow the Committee to transfer \$100,400 GPR from the DA salaries and fringe benefits appropriation to DHFS to support a portion of the costs of its contracts for TPR-related services.

In calendar year 1995, TPR petitions submitted by the Milwaukee County DA's Office resulted in 184 TPR orders, affecting 249 children. The DA's Office assigned 2.0 attorney positions to this function, which were supported by paralegal and clerical staff. Based on this workload standard, the addition of 2.0 attorney positions and associated support staff will enable the county to double the number of TPR petitions submitted and orders issued from the 1995 level.

Each petition for a TPR must be accompanied by documentation that diligent efforts have been made by the child welfare agency to reunify the family or that other appropriate grounds for TPR exist. The documentation for these new cases would be provided by the 7.0 requested caseworkers employed by Milwaukee County under contract with H&SS. H&SS staff believe that this number of caseworkers is the maximum that could be provided without adding additional supervisory positions.

Finally, the Department requests funding to support the costs of contracting for the services of 2.0 attorneys to provide guardian ad litem services. The need for 2.0 additional attorney positions was identified by the Executive Director of the Legal Aid Society of Milwaukee, Inc. (the agency that provides these services to 60% of the TPR cases in Milwaukee County).

In summary, the Department proposes that \$530,600 GPR currently budgeted in the Committee's supplemental appropriation be transferred to the Department to support the activities described above. These funds would be supplemented by federal funds the state receives under Title IV-E of the Social Security Act to support services for AFDC- and SSI-eligible children with special needs. Under Title IV-E, the state can claim 50% federal matching funds for eligible costs of services provided to these children. Because it is estimated that 61% of the TPR cases will involve children eligible for Title IV-E funds, the estimated federal funding available to support TPR-related activities is estimated to be \$248,600 FED in 1996-97, as demonstrated in the following calculation.

### State and Federal Cost-Sharing for TPR Activities

	<u>1996-97</u>
Total budget for TPR cases (H&SS Proposal)	\$763,500
Estimated percent of cases not eligible for Title IV-E*	39.0%
Estimated GPR costs for non-Title IV-E cases	\$297,765
Remaining costs eligible for Title IV-E Cost Share	\$465,735
GPR Costs (50%)	\$232,868
FED Costs (50%)	232,867
Total GPR Costs	\$530,633
Total FED Costs	<u>232,867</u>
Total Costs	\$763,500

\*Based on the Department's federally-approved cost allocation methodology.

Based upon the anticipated demand for TPR services during the transition period, the estimated workload associated with these activities, and the Legislative intent expressed in Act 303 to provide for the release of funds pending the Committee's approval of the Department's plan, the Committee could approve the Department's plan and transfer \$530,600 GPR from the Committee's supplemental appropriation to the appropriation under s. 20.435(3)(cw) in 1996-97. Because Act 303 increased the Committee's appropriation by \$566,400 GPR to support the Department's TPR activities, \$35,800 GPR of the moneys provided for this purpose in Act 303 would not be expended.

Alternatively, the Committee could authorize 2.0 PR assistant district attorney positions in Milwaukee County, beginning in 1996-97, for the prosecution of TPR petitions at this time, rather than wait for the DA's Office to submit a request under s. 16.505(2) of the statutes for position authority to expedite the hiring of these positions. Further, based on the amount of funding that would be available to the Milwaukee County DA's Office under the contract and the projected costs of hiring 2.0 additional entry-level attorney positions, the Committee could transfer \$100,400 GPR from the DA's salaries and fringe benefits appropriation to DHFS to reflect the GPR savings that would result from the difference between the amount of the contract (\$198,000) and the costs of hiring two entry-level district attorney positions (\$97,600). This would reduce by \$100,400 GPR the amount of funding that would be transferred from the Committee's appropriation to DHFS for TPR-related activities.

## ALTERNATIVES

1. Approve the Department's request to transfer \$530,600 GPR from the Committee's supplemental appropriation to the appropriation under s. 20.435(3)(cw) in 1996-97.

2. Transfer \$430,200 GPR from the Committee's supplemental appropriation and \$100,400 GPR from the District Attorney's salaries and fringe benefits appropriation under s. 20.475(1)(d) to the DHFS appropriation under s. 20.435(3)(cw) in 1996-97. In addition, authorize 2.0 PR assistant district attorney positions under s. 20.475(1)(h) of the statutes for the prosecution of TPR petitions in Milwaukee County.

*3 yr. project pos 2 PR*

*July 1, 1996 - June 30, 1999*

Prepared by: Charles Morgan and Art Zimmerman

MO# Alt. 2

BURKE	(Y)	N	A
ANDREA	(Y)	N	A
GEORGE	(Y)	N	(A)
DECKER	(Y)	N	A
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
WEEDEN	(Y)	N	(A)
COWLES	(Y)	N	A

2 BRANCEL	(Y)	N	A
FOTI	(Y)	N	A
SCHNEIDERS	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
PORTER	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

AYE 14 NO 0 ABS 2



State of Wisconsin  
**Department of Health and Social Services**

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Tommy G. Thompson, Governor  
Joe Lekan, Secretary

May 23, 1996

The Honorable Tim Weeden  
Senate Co-Chair, Joint Committee on Finance  
Suite LL1, 119 Martin Luther King Jr. Boulevard  
Madison, WI 53702

The Honorable Ben Brancel  
Assembly Co-Chair, Joint Committee on Finance  
Suite LL2, 119 Martin Luther King Jr. Boulevard  
Madison, WI 53702

Dear Senator Weeden and Representative Brancel:

1995 Wisconsin Act 303 provides resources to the Department of Health and Family Services to prepare for the assumption by the state of child welfare services in Milwaukee County which are currently the responsibility of the County. One of the provisions of the legislation provides resources to the Department to increase Termination of Parental Rights (TPR) activities in Milwaukee County so more children can be placed in adoptive families. Funds appropriated for the TPR activities were placed in the Committee's supplemental appropriation, pending approval of a plan for use of the funds. The Department was directed to develop a plan to contract for legal and support staff to identify and prosecute cases in Milwaukee County in which termination of parental rights over a child would be appropriate. With the submission of the following plan, the Department requests the transfer of \$530,600 from the Committee's appropriation to the Department to implement the plan.

TPR Plan

One reason for the large number of children in out-of-home care in Milwaukee County is that steps have not been taken to terminate parental rights of children for whom it is appropriate, in order to place them with permanent adoptive families. During the transition period, prior to state assumption of child welfare responsibilities in Milwaukee County on January 1, 1998, Department case monitoring staff (authorized in Act 303)

will be identifying cases which are appropriate for TPR. This will also reduce the number of open cases in the system when the state takes over its administration.

TPR activities are generally initiated when it is believed that the best interests of a child will be served by terminating parental rights. Without TPR, an abused/neglected child cannot be placed for adoption. Currently, the TPR process involves casework services which are provided by county child welfare workers. A petition to TPR must demonstrate to the court that diligent efforts have been made by the child welfare agency to reunify the family or that other appropriate grounds for a TPR exist. Caseworkers prepare information describing the services offered and provided to the family as part of the documentation which demonstrates the efforts which have been made and the outcome which has resulted. This documentation is needed by the District Attorney's Office to petition the court. The court process also involves appointment by the court of a guardian ad litem to represent the best interests of the child. A deliberate effort to increase the number of TPRs requires additional caseworker/clerical support from county child welfare staff, additional Assistant DAs, and additional legal representation for the children for whom TPR is being sought.

Currently, the District Attorney's Office in Milwaukee County has 2.0 attorneys who process approximately 250 cases annually. In order to double the number of TPRs, an additional 2.0 attorneys are needed in the District Attorney's Office. The DA will also have to contract with the County for 1.0 paralegal and 1.0 clerical position. The investigation and documentation of cases needed to process an additional 250 TPRs will also require 7.0 caseworkers and 1.0 clerical position in the Milwaukee County Human Services Department. These caseworkers will be given a limited caseload which has been identified as likely for TPR. These may be new cases (e.g. abandonment) or existing cases identified by county staff and state monitoring staff (e.g. children in foster care for extended periods, with no contact from the family). The caseworkers will prepare the documentation for the District Attorney's Office to petition the court for TPR. Finally, legal representation for the children involved will require the Department to contract for guardian ad litem services.

The cost of contracting for the above resources totals \$763,500, all funds (\$530,600 GPR). This includes staff costs and the costs of equipment such as computers, printers, desks, chairs and file cabinets. A detailed description of these costs is attached.

The Department plans to contract with the District Attorney's Office for 2.0 attorneys, 1.0 paralegal and 1.0 clerical. The District Attorney's Office will subcontract with Milwaukee County for the paralegal position and clerical position. The District Attorney's Office will submit a request to the Committee under sections 16.505 and 16.515 of the statutes for authority to create 2.0 FTEs and the related expenditure authority to carry out the activities described above. The cost of the contract with the District Attorney's Office is \$311,300 all funds (\$216,300 GPR). The Department will



contract with the Milwaukee County Department of Human Services for 7.0 caseworkers and 1.0 clerical staff. The cost of this contract is \$401,300 all funds (\$278,900 GPR). The contract for legal representation to provide guardian ad litem services for children for whom parental rights are proposed to be terminated will cost \$50,900 all funds (\$35,400 GPR).

Act 303 appropriated a total of \$815,000 all funds in FY 1996-97 for TPR activities. Of this amount, \$248,600 FED was appropriated in 20.435 (3)(mw) and the remaining \$566,400 GPR was placed in the committee's supplemental appropriation for release and transfer to the Department, pending approval by the Committee of the Department's plan for expenditure of the funds. Based on the above plan, total costs are now estimated to be \$763,500 (\$530,600 GPR). The Department requests transfer of \$530,600 from the Committee's supplemental appropriation 20.865 (4)(a) to the Department's child welfare appropriation under 20.435 (3)(cw) to contract for TPR activities in Milwaukee County. The remaining \$232,900 will come from federal funds which have already been appropriated.

Gerry Born, Administrator for the Division of Community Services, will represent the Department at the s. 13.10 meeting.

Sincerely,



Joe Egan  
Secretary

**1995 WISCONSIN ACT 303 - TERMINATION OF PARENTAL RIGHTS****CONTRACT COSTS:**

	<u>Salary &amp; Fringe</u>	<u>Supplies &amp; Services &amp; Equipment</u>	<u>Total</u>
<b>1. District Attorney's Office</b>			
2.0 Attorneys	\$198,000	\$11,100	\$209,100
DA contract with Milw County for 1.0 paralegal	\$42,100	\$3,900	\$42,100
DA contract with Milw County for 1.0 clerical	\$32,700		\$32,700
equipment current staff		\$10,800	\$10,800
general office equipment		\$12,700	\$12,700
Subtotal DA	\$272,800	\$38,500	\$311,300
<b>2. Milwaukee County</b>			
7.0 Caseworkers	\$321,800	\$40,600	\$362,400
1.0 Clerical	\$34,900	\$4,000	\$38,900
Subtotal Milwaukee County	\$356,700	\$44,600	\$401,300
<b>3. Guardian Ad Litem</b>			
2.0 Attorneys	\$49,700	\$1,200	\$50,900
Subtotal GAL	\$49,700	\$1,200	\$50,900
<b>Grand Total</b>	<b>\$679,200</b>	<b>\$84,300</b>	<b>\$763,500</b>

(1) Guardian Ad Litem staff contract: 1.0 for 9 months & 1.0 for 6 months;  
all other staff, assumed start date of July 1, 1996.

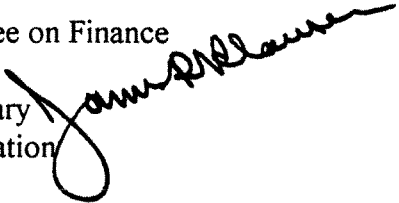
(2) Supplies and services for AG's Office includes computers, printers,  
a copier, dictation equipment, desks, chairs, file cabinets, bookcases.

(3) Supplies and services for Milwaukee County positions includes furniture,  
travel, telephone, computer terminal charges and rent.

**CORRESPONDENCE MEMORANDUM****STATE OF WISCONSIN  
Department of Administration**

**Date:** June 11, 1996

**To:** Members, Joint Committee on Finance

**From:** James R. Klauser, Secretary  
Department of Administration 

**Subject:** Section 13.10 Request from the Department of Health and Social Services for Release of Funds for Termination of Parental Rights Activities in Milwaukee County.

**Request**

The Department of Health and Social Services (DHSS) requests the transfer of \$530,600 from the Committee's appropriation under s. 20.865(4)(a) to the appropriation under s. 20.435(3)(cw) in DHSS to fund activities relating to the termination of parental rights for children in the Milwaukee County child welfare system.

**Background**

1995 Wisconsin Act 27 required DHSS to submit a proposal to the Legislature and the Governor by April 1, 1996 to transfer the duty and authority to provide child welfare services from Milwaukee County to DHSS beginning on January 1, 1998. Separate legislation was introduced (SB615) to provide DHSS with the resources needed to facilitate the transfer. During its executive session on SB615, the Joint Committee on Finance (JCF) placed \$566,400 GPR, which was allocated for legal and support staff to identify and prosecute cases in Milwaukee county for termination of parental rights (TPR), in its appropriation under s. 20.865(4)(a) and required DHSS to submit a plan for the use of the funds.

**Analysis**

In preparing its proposal to the Legislature and Governor, the department assembled a team of child welfare professionals who reviewed a random sample of open child welfare cases in Milwaukee. The team found that Milwaukee County permanency plans for children in out of home placement recommended adoption in 24% of the cases. Based upon an out-of-home placement caseload of approximately 3,500 children in non-relative care, approximately 850 TPR actions are needed to facilitate the recommended adoptions. However, in reviewing the cases the assessment team indicated that 45% of the cases should have adoption as the permanency plan which results in a need for approximately 1,550 TPR actions.

The department's plan proposes using the funds for the following activities:

1. Milwaukee County District Attorney's Office.

Under a new fully implemented speedy completion process for TPR cases, the Milwaukee County District Attorney's Office completed 249 TPR cases in calendar year (CY) 1995, compared with 105 cases in CY94. Two assistant district attorneys are currently assigned to TPR cases. Based upon projections that the District Attorney's (DA) Office will receive 500 TPR cases in CY96 and using a ratio of 125 cases per assistant district attorney, the Department is proposing using \$216,300 GPR (\$311,300 all funds) to fund an additional 2.00 FTE assistant district attorneys, 1.00 FTE paralegal and 1.00 FTE clerical staff to increase TPRs over the CY95 level. While the Department assumes that the ratio of 125 completed cases per assistant district attorney will continue into CY96, an increase in the complexity of cases and more cases going to jury trial with the potential for appeal by the parent may result in completed cases for CY96 at slightly less than the 125 per assistant district attorney experienced in CY95. Assuming that the DA's Office will prosecute 250 cases with the additional resources, the estimated need of between 850 and 1550 TPR proceedings shows that the DA's Office will require the resources beyond FY97.

2. Milwaukee County Department of Human Services

The Department proposes allocating \$278,900 GPR (\$401,300 all funds) to the Milwaukee County Department of Human Services (DHS) to fund 7.00 FTE new case workers and 1.00 FTE clerical support to prepare the TPR cases for submission to the DA's Office. The staff will be used to complete the necessary paper work for referral of cases and to provide the services necessary to make cases ready for TPR action. As the department's monitoring staff begins its review of all existing open child welfare cases in Milwaukee, it anticipates finding cases that are TPR ready and cases where additional services will be a high priority to prepare for TPR. The monitoring staff will refer these cases to DHS for action.

3. Guardian ad Litem Services

Since the court must appoint a guardian ad litem to represent the best interest of the child in TPR proceedings, the department proposes using \$35,400 GPR (\$50,900 all funds) to contract for guardian ad litem services. Based upon discussions with Legal Aid Society of Milwaukee, which handles 60% of the TPR cases for Milwaukee County in CY95, the department projects that 2.00 FTE attorneys will be needed to handle the projected increased TPR caseload.

Members, Joint Committee on Finance

June 11, 1996

Page 3

The total cost of the three activities is \$763,500 with a GPR cost of \$530,600. The Department's GPR request is \$35,800 lower than the amount placed in JCF's appropriation.

The \$216,300 GPR funding for TPR activities for the District Attorney's Office will be placed in the District Attorney's appropriation under s. 20.475(1)(h), gifts and grants. Approval by the JCF is needed to increase the position authority in this appropriation by 2.00 FTE permanent district attorney positions. Rather than requesting the position authority under a separate s. 16.505, the process can be expedited by recommending approval by JCF of 2.00 FTE PRS position authority under s. 20.475(1)(h).

**Recommendation**

Approve the Department's request and approve 2.00 FTE PRS position authority under s. 20.475(1)(h).

Prepared by: Gretchen A. Fossum  
266-2288



State of Wisconsin  
**Department of Health and Social Services**

Tommy G. Thompson, Governor  
Joe Lekan, Secretary

May 23, 1996

The Honorable Tim Weeden  
Senate Co-Chair, Joint Committee on Finance  
Suite LL1, 119 Martin Luther King Jr. Boulevard  
Madison, WI 53702

The Honorable Ben Brancel  
Assembly Co-Chair, Joint Committee on Finance  
Suite LL2, 119 Martin Luther King Jr. Boulevard  
Madison, WI 53702

Dear Senator Weeden and Representative Brancel:

1995 Wisconsin Act 303 provides resources to the Department of Health and Family Services to prepare for the assumption by the state of child welfare services in Milwaukee County which are currently the responsibility of the County. One of the provisions of the legislation provides resources to the Department to increase Termination of Parental Rights (TPR) activities in Milwaukee County so more children can be placed in adoptive families. Funds appropriated for the TPR activities were placed in the Committee's supplemental appropriation, pending approval of a plan for use of the funds. The Department was directed to develop a plan to contract for legal and support staff to identify and prosecute cases in Milwaukee County in which termination of parental rights over a child would be appropriate. With the submission of the following plan, the Department requests the transfer of \$530,600 from the Committee's appropriation to the Department to implement the plan.

TPR Plan

One reason for the large number of children in out-of-home care in Milwaukee County is that steps have not been taken to terminate parental rights of children for whom it is appropriate, in order to place them with permanent adoptive families. During the transition period, prior to state assumption of child welfare responsibilities in Milwaukee County on January 1, 1998, Department case monitoring staff (authorized in Act 303)

will be identifying cases which are appropriate for TPR. This will also reduce the number of open cases in the system when the state takes over its administration.

TPR activities are generally initiated when it is believed that the best interests of a child will be served by terminating parental rights. Without TPR, an abused/neglected child cannot be placed for adoption. Currently, the TPR process involves casework services which are provided by county child welfare workers. A petition to TPR must demonstrate to the court that diligent efforts have been made by the child welfare agency to reunify the family or that other appropriate grounds for a TPR exist. Caseworkers prepare information describing the services offered and provided to the family as part of the documentation which demonstrates the efforts which have been made and the outcome which has resulted. This documentation is needed by the District Attorney's Office to petition the court. The court process also involves appointment by the court of a guardian ad litem to represent the best interests of the child. A deliberate effort to increase the number of TPRs requires additional caseworker/clerical support from county child welfare staff, additional Assistant DAs, and additional legal representation for the children for whom TPR is being sought.

Currently, the District Attorney's Office in Milwaukee County has 2.0 attorneys who process approximately 250 cases annually. In order to double the number of TPRs, an additional 2.0 attorneys are needed in the District Attorney's Office. The DA will also have to contract with the County for 1.0 paralegal and 1.0 clerical position. The investigation and documentation of cases needed to process an additional 250 TPRs will also require 7.0 caseworkers and 1.0 clerical position in the Milwaukee County Human Services Department. These caseworkers will be given a limited caseload which has been identified as likely for TPR. These may be new cases (e.g. abandonment) or existing cases identified by county staff and state monitoring staff (e.g. children in foster care for extended periods, with no contact from the family). The caseworkers will prepare the documentation for the District Attorney's Office to petition the court for TPR. Finally, legal representation for the children involved will require the Department to contract for guardian ad litem services.

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contract with the Milwaukee County Department of Human Services for 7.0 caseworkers and 1.0 clerical staff. The cost of this contract is \$401,300 all funds (\$278,900 GPR). The contract for legal representation to provide guardian ad litem services for children for whom parental rights are proposed to be terminated will cost \$50,900 all funds (\$35,400 GPR).

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Gerry Born, Administrator for the Division of Community Services, will represent the Department at the s. 13.10 meeting.

Sincerely,



Joe Lecan  
Secretary



**1995 WISCONSIN ACT 303 - TERMINATION OF PARENTAL RIGHTS****CONTRACT COSTS:**

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2.0 Attorneys	\$49,700	\$1,200	\$50,900
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<b>Grand Total</b>	<b>\$679,200</b>	<b>\$84,300</b>	<b>\$763,500</b>

(1) Guardian Ad Litem staff contract: 1.0 for 9 months & 1.0 for 6 months;  
all other staff, assumed start date of July 1, 1996.

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